

28 March 2012

Company Announcements Office
Australian Stock Exchange
20 Bridge Street
Sydney NSW 2000

Cuesta Coal (Blackwood) JV Update – IPO progress

Australian Pacific Coal Limited (“AQC”) is pleased to report that Cuesta Coal Limited (“ASX:CQC”) has announced that today it has received applications and firm bids in excess of \$9million for their Initial Public Offering to list on the Australian Securities Exchange. Full details are set out in the following announcement by Cuesta Coal Limited.

AQC Group joint ventured four EPCs out to coal explorer Cuesta Coal Limited subsidiary, Blackwood Resources Pty Ltd (“Blackwood”), in April 2010. AQC Group retained a 10% free carried interest up to feasibility study stage. Under the terms of the JV, Blackwood pays AQC \$125,000 upon grant of each EPC and is required to expend at least the minimum exploration commitment with the aim to prove up a coal resource and complete a feasibility study for the project(s). Blackwood can withdraw at any time and offer the project(s) back to AQC at no cost.

AQC Group retains its 10% free carry interest up to feasibility stage in the four East Wandoan joint ventured coal exploration tenements.

Yours faithfully



Kevin Mischewski
Company Secretary



Cuesta Coal Limited
PO Box Q716
QVB NSW 1230

Suite 15.01
31 Market St
Sydney NSW 2000

+61 2 9284 5900

+61 2 9284 5999

Update on Cuesta Coal IPO

Sydney, 28th March 2012: The Directors of Cuesta Coal Limited (ASX:CQC) are pleased to announce that today it has received applications and firm bids in excess of \$9 million for the company's Initial Public Offering (IPO) to list on the Australian Securities Exchange (ASX).

Subject to the receipt of the \$15 million investment by Beijing Guoli Energy Investment Co. Ltd as set out in the Prospectus, the company will have exceeded \$24 million of confirmed support for the proposed IPO.

Cuesta Coal's Managing Director and CEO Matt Crawford said: "We are delighted with the strong support we have received from investors both locally and internationally. This confirms our view that Cuesta represents a compelling investment opportunity of quality coal exploration assets in Queensland's world class coal basins, and a proven and experienced Board and management team."

Full details of the projects, exploration development plans and details on the Company are provided in the Prospectus which is available at the company's website www.cuestacoal.com.au

ENDS

About Cuesta Coal

Cuesta Coal Limited ("Cuesta") was formed in September 2011 to acquire all of the securities on issue in a private Queensland focussed Australian coal exploration company called Blackwood Coal Pty Ltd in preparation for the IPO.

Cuesta has assembled a diverse portfolio of thermal and coking coal exploration prospects within the Bowen, Surat and Galilee basins in Queensland. The Company's core projects are well situated geographically with over 11,000km² of exploration ground in total.

Cuesta's balanced portfolio consists of a pipeline of projects ranging from advanced exploration requiring resource definition drilling, to conceptual lateral opportunities requiring scout drilling. The projects are located in close proximity to current and future planned infrastructure.

Cuesta has an advanced exploration programme underway with exploration commencing in the second quarter of 2011 with in excess of 6,000m of drilling completed at three completed project

sites. The company has established operating systems to fully undertake its planned 2012 & 2013 drill programmes and intend to drill 10,000m during 2012 alone.

For further information:

Matthew Crawford
Managing Director
Cuesta Coal Limited
+612 9284 5900

Keith McKnight
Chief Operating Officer
Cuesta Coal Limited
+612 9284 5900

Released through Six Degrees Investor Relations:

Sam Sloane +612 9230 0661 or +61 412 845 920 or
Ben Jarvis +612 9230 0661 or +61 413 150 448